

brought to light how these stock options are treated.

Now, in fairness, we are willing to consider a bill urgently to clean up corporate abuse, accounting abuse; but they cannot have it both ways. They cannot say it is a perfect bill that has been produced by Senator SARBANES without acknowledging that they failed to address a very important option test, accounting for options, which has been the fundamental root of the problems. WorldCom, Enron, all of these options that were allowed by the corporations had faulty accounting techniques applied.

So I commend Senator MCCAIN for introducing that, and I urge those on the other side to consider it as well.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind the Member to refrain from improper references to the Senate.

UNNECESSARY DEPARTMENT OF HOMELAND SECURITY

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, I realize that almost everyone in the Congress is going to vote to create the new Department of Homeland Security, but I am afraid all this new Department is going to do is make the government bigger, more bureaucratic and more expensive and the country will not be any safer.

In yesterday's "Congress Daily," we read that the Congressional Budget Office has estimated it will cost \$43 billion just to implement the new Department.

The New York Times on June 23 had a column which said the proposed Department contains "elements so big that even a fee-hungry Wall Street investment banker might have hesitated to propose it."

William Schneider, in the "National Journal," said it will "simply add another layer of bureaucracy. Will adding another layer of government at the top make a great deal of difference? Not if the problem is at the bottom."

Tony Blankley, in Wednesday's Washington Times said, "Congress should slow down, be more deliberative . . . Perhaps some bill can be cobbled together at such breakneck speed, but not the bill that this country needs."

Mr. Speaker, we should not have to create a new cabinet-level Department just to get Federal agencies to cooperate with each other.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. KIRK). Under the Speaker's announced policy of January 3, 2001, and under a

previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

MEDICAL MALPRACTICE INSURANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, we spend a lot of time in Congress talking about health care, and reasonably so, we should. Health care is probably the one thing none of us as citizens can totally control on our own. We can exercise, diet. We can work out. We can do all the right things, but we may be stricken at sometime in our life with Lupus, leukemia, Alzheimer's, AIDS, cancer, any number of maladies that face us. It is important to talk about these subjects because it is important for Congress to grapple with these issues.

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There is also a looming issue that needs to be discussed, vetted and a solution found for, and that is medical malpractice insurance rates. Florida particularly has been inundated with liability crises and looming coverage where we may see our physicians unable to afford any coverage at all, and if they can find it, the cost prohibitive for them to continue to practice their vital roles that they play in society.

Malpractice rates have been rising 20 to 40 percent per year, 20 to 40 percent per year, while inflation has remained virtually stagnant. The hardest-hit doctors in Florida are over 50,000 obstetricians, radiologists, orthopedic surgeons, lung specialists, oncologists, among the list of people.

Average damage awards, which is part of the root problem, ordered by courts have doubled over the past 3 years, meaning jury awards for courts have increased damage awards substantially and significantly. Hospitals, one insurer increased a local hospital rate to \$1.5 million this year from \$500,000 a year ago. That is a tripling of premium, which any person can routinely understand that if we add an expense like that to a category, it has to come out of somewhere; and ultimately we pay more for health care, pay more for all the services provided for indigents and others in our community.

Some doctors are paying up to 80 percent of their annual income in premiums. Many people snicker and say physicians make a lot of money. I beg to differ. Some do, but most have been working tirelessly to provide the important roles they do for society and

are often compromised because they are not only having to pay extraordinary liability insurance, but with all the regulations and all the attendant things that they are expected to do, including continuing medical education and the like, they are consequently under the great glare of looming bankruptcy or finding themselves wanting to leave the practice of medicine that they have loved doing for all their life.

We need to do something about this issue. It needs to revolve around getting the parties together, and this is not a shot at the trial lawyers, but they have to be intimately involved in some of these discussions where there would be another system like a loser pay something where at least the onus is on those bringing charges, to be certain they have valuable and vital suits to bring to the courts. Oftentimes litigation ends with a letter to the plaintiff defendant, ultimately trying to shake down a few dollars, and hopefully the insurance company will settle because they will tell us it is more expensive to go to court than to settle out of court; and consequently, doctors are hemorrhaging incomes because of these consequences.

I do not stand aside or take any notion that we should excuse wrongful and wilful malpractice. Somebody cuts off the wrong limb, absolutely the person who has been aggrieved demands full compensation for damages rendered. That is not what we are talking about. We are talking about a system that has run amuck; that does not recognize dangerous procedures that were done to people, devastating their lives and frivolous lawsuits.

This Congress nationally, as well as legislators in 50 States, needs to grapple with this issue because I can tell my colleagues today that if this does not get resolved soon, we will have a mass exodus of professionals leaving health care, a mass exodus because they can simply no longer afford the premiums that this malpractice insurance costs. It is affecting hospitals. It is affecting nursing homes. It is affecting practitioners. It is affecting every American, because as these rates rise, they must be passed on to others, and that is the patient. The patient pays more; health insurance becomes less available. Cost of treatment and facilities increases; cost of health care premiums skyrocket. Costs to the consumers in every product, good or service produced, sold or distributed in this country is exponentially increased because of the underlying costs of these looming crises.

So we can stand here and do nothing, afraid to tackle a tough issue; or we should include it in at least the act of debate.

The SPEAKER pro tempore (Mr. KIRK). Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)